

QUESTION BANK

SECTION-A

Answer the following Multiple - Choice questions

20x1=20 M

Unit-1

1. Economic activities related to: (a)
(a) Production of wealth (b) Social relationship
(c) Helping the society (d) Psychological needs
2. Primary aim of a business is to help its: (c)
(a) Employees (b) Help society
(c) Earn profit (d) Increase business
3. Industry is related to: (a)
(a) Manufacturing of goods (b) Trading
(c) Exchange of goods (d) None of these
4. Growing of plants comes under: (c)
(a) Extractive industry (b) Genetic industry
(c) Primary industries (d) secondary industry
5. Commerce is related to: (c)
(a) Production of goods (b) Provision to service
(c) Exchange of goods (d) Manufacturing goods
6. Profit is the reward in: (c)
(a) Profession (b) Service
(c) Business (d) Non-profit business
7. Which economic activity creates utility (a)
(a) Business (b) Employment
(c) Profession (d) Social service
8. Which of the following is a service industry (c)
(a) Construction (b) Mining
(c) Financing (d) Genetic
9. Non-economic activities are taken up to (b)
(a) Satisfy human wants (b) Satisfy social needs
(c) Earn profit (d) Increase profits
10. Raising of wealth from soil relates to: (b)
(a) Manufacturing industry. (b) Extractive industry
(c) Synthetic industry (d) Genetic industry
11. Profession involves: (a)
(a) Rendering of personal service (b) Undertaking business
(c) Undertaking contact (d) Social service
12. Which activity does not require investment ? (b)
(a) Service (b) Business
(c) Profession (d) None of these
13. When trade takes place between two countries, it is called: (b)
(a) Internal trade (b) External trade
(c) None (d) Regional trade
14. Which service industry creates 'place utility' (b)
(a) Insurance (b) Transport
(c) Warehousing (d) Advertising
15. Organisation deals with (c)

- (a) Centralisation of activities. (b) Decentralization of activities
 (c) **Division of work** (d) Concentration of activities
16. An organisation involves : (a)
 (a) **Division of work.** (b) Concentration of work
 (c) Distribution of work (d) Decentralization of work

Unit-2

- 1. Sole-proprietorship business can be started by:** (a)
 (a) **One person** (b) Two persons
 (c) Seven persons (d) Three persons
- 2. Sole proprietor business is suitable for:** (a)
 (a) **Small business** (b) Medium business
 (c) Large business (d) All types of business
- 3. Under which law sole-proprietorship is formed:** (b)
 (a) Partnership act (b) **Under no act**
 (c) Companies act (d) Cooperative society act
- 4. Which of the following is the limitation of the sole trade:** (d)
 (a) Limited source of capital (b) Lack of professional
 (c) Unlimited liability (d) **All of these**
- 5. The maximum number of members in a private company can be:** (c)
 (a) 20 (b) 100 (d) **200** (d) no limit
- 6. Who are the real owners of a company:** (c)
 (a) Share holders (b) Managing director
 (c) **Board of directors** (d) Lending institutions
- 7. A partner not a partner but poses as partner is known as:** (c)
 (a) Partner in profits (b) Partner in profits and losses
 (c) **Partner by estoppels** (d) Sleeping partner
- 8. An agreement among sharing partnership business can be:** (c)
 (a) Oral (b) Written
 (c) **Oral or written** (d) None of these
- 9. Promoting a business involves** (c)
 (a) Selecting a land. (b) Arranging funds
 (c) **Selecting business ideas** (d) Arranging investors
- 10. Product analysis involves:** (a)
 (a) **Selecting a Product.** (b) sales of similar products
 (c) Studying demand. (d) Studying consumer tastes
- 11. The maximum number of members in a private company can be:** (c)
 (a) 20 (b) 100 (c) **200** (d) 300
- 12. Membership of a co-operative organisation is:.** (b)
 (a) Compulsory. (b) **Voluntary**
 (c) Society residents. (d) other members
- 13. Main motive of a co-operative organisation is:.** (c)
 (a) Earn profit. (b) Increase sales
 (c) **Serve the members** (d) Expand business
- 14. Producer co-operative are established for the benefit of:.** (c)
 (a) Consumer (b) Distributors
 (c) **Small producers** (d) All of these
- 15. Maximum membership of a co-operative cannot exceed:.** (c)
 (a) 200. (b) 500. (c) **No limit.** (d) 1000

16. In which form of organisation 'perpetual succession' is found? (b)

- (a) Partnership. (b) Joint Stock company
(c) Sole-proprietorship (d) None of these

Unit-3

1. Location of plant is a decision taken at the time of : (a)

- (a) Establishment of a unit (b) Selecting a product
(c) Planning marketing activities (d) Arranging of finances

2. Plant layout means arrangement of departments and: (c)

- (a) Labour (b) Material
(c) Equipment (d) Working congratulations

3. A good plant layout helps in utilising: (a)

- (a) Available space (b) Available resources
(c) Available labour (d) Available finance

4. Plant layout depends upon the nature of: (c)

- (a) Materials used (b) Labour availability
(c) Products (d) Availability of all resources

6. Size of a business unit is related to: (c)

- (a) Capacity (b) Investment
(c) Many factors (d) Outside factors

7. Industry refers to: (a)

- (a) Aggregation of firms. (b) Aggregation of product facility.
(c) Aggregation of financial resource. (d) Federation of industries

8. The point at which average cost is minimum is called: (b)

- (a) Marginal point (b) Optimum point
(c) Average point (d) Balancing point

9. Traditional approach of selecting plant location emphasised the: (c)

- (a) Availability of finances. (b) Nearness to a city
(c) Availability of raw materials and market (d) Availability of transport

10. Weber's theory of location said that secondary factors bring: (c)

- (a) Availability of labour (b) Availability of market
(c) Concentration of industries. (d) Dispersal of industries

11. Concentration of similar type of industries at same place is called: (a)

- (a) Localisation. (b) Dispersal
(c) Concentration (d) Centralisation

12. Plant layout must consider the availability of: (a)

- (a) Space (b) Resources (c) Materials. (d) Products

UNIT -4

1. Business combinations are promoted to: (b)

- (a) Save resources (b) Eliminate competition.
(c) Eliminate risk. (d) Eliminate competitors

2. Vertical combinations take place among: (a)

- (a) Interdependent firms. (b) Competing firms
(c) Same category firms. (d) Different category firms

3. Simple associations are formed to promote: (b)

- (a) Divergent activities (b) Common interests.
(c) Competing interests. (d) Individual interests

4. Rationalization was first started in: (b)

- (a) USA (b) Germany

- (c) France (d) Russia
- 5. Rationalization aims to bring reforms:** (b)
- (a) In a business unit (b) In industry.
- (c) In consumer dealings. (d) In cost structure
- 6. Rationalization encourages:** (a)
- (a) Standardization of products. (b) Improving quality of products:
- (c) Production of variety of products. (d) None of these
- 7. Rationalization brings:** (c)
- (a) More competition. (b) Less competition.
- (c) Economic of scale. (d) More profits
- 9. When units carrying identical business activities join hands, it is known as:.** (b)
- (a) Trade association. (b) Competing firms
- (c) Same category firms. (d) Different category firms
- 10. When firms producing different but allied products combine, it is known as:.** (a)
- (a) Lateral combination. (b) Circular combination
- (c) Diagonal combination. (d) Vertical combination
- 11. Rationalization is concerned with:.** (c)
- (a) Improving profitability. (b) Controlling wastage
- (c) Using efficient methods of production

UNIT-5

- 1. Computers are helpful in:** (d)
- (a) Teaching (b) Learning
- (c) Business (d) All of the above
- 2. What do you get after processing of data:** (a)
- (a) Information (b) Input
- (c) Output (d) Accuracy
- 3. Component of computer system:** (d)
- (a) Processing Unit. (b) Input Unit.
- (c) Output Unit (d) All of the above
- 4. IP stands for:** (b)
- (a) Internet programming (b) Internet protocol
- (c) Internal protocol (d) Internal programming
- 5. Internet is a kind of :** (c)
- (a) LAN (b) MAN
- (c) WAN (d) None of these
- 6. Which of the following is a search engine:** (d)
- (a) Google (b) Yahoo
- (c) Lycos (d) All of these
- 7. Online business on the internet is referred to as:** (a)
- (a) E-Commerce (b) Chatting
- (c) Transaction (d) Surfing
- 8. Which of the following is not a domain name:** (d)
- (a) .gov (b) .net
- (c) .com (d) .man
- 9. PC called as:.** (c)
- (a) Private computer. (b) Probable Computer

- (c) Personal Computer (d) Non of these
10. The brain any computer system is: (c)
 (a) ALU. (b) Memory. (c) CPU. (d) Control Unit
11. Which is not a main component of computer:(d)
 (a) Main Memory. (b) Input Unit. (c) Output Unit (d) Data
12. Knowledge is derived from:(c)
 (a) Input. (b) Output. (c) Information. (d) Instruction
13. Which operation is not performed by Computer:(d)
 (a) Inputting (b) Processing (c) Controlling (d) Understanding
14. Which computer is the smallest in size among the following:. (a)
 (a) Palmtop. (b) Micro computer. (c) Mainframe. (d) Laptop
15. Information is the processed form of:.(c)
 (a) Intrusion. (b) Output. (c) Data. (d) Knowledge
16. Information Technology refers to:.(d)
 (a) Storing information. (b) Transferring information
 (c) Processing information. (d) All of these

SECTION-B

Answer the following Fill in the blanks

10x1=10 M

Unit - 1

1. A Business Should aim at serving the _____ at large. (Society)
2. Organisation refers to the way the work is _____. (Distributed)
3. Trade is the process of taking goods from _____ to consumers. (Producers)
4. An organisation has common _____. (Objectives)
5. Business means, exchange of goods and services for mutual _____. (Benefit)
6. Business creates various types of _____ in goods (utilities)
7. A Business may face risks and _____. (Uncertainty)
8. A sole-proprietorship is started by _____ person (One)

UNIT- 2

1. Discovery of a business idea is the _____ step in promotion of a business. (First)
2. A sole trades has _____ liability. (Unlimited)
3. A sole proprietorship business involves _____ risks. (More)
4. A partnership firm requires at least _____ persons to start it. (Two)
5. A Sole trader can have _____ control over his business (Better)
6. A Sole trader beaars _____ risks of the business (All)
7. A Sole trade business as _____ continuity (Uncertain)
8. A Sole trader as _____ management (Inexpensive)

UNIT-3

1. A good plant layout cavres minimum _____ delays. (Production)
2. A firm is a unit of _____. (Ownership)
3. _____ policy influence plant layout decision. (Influences)
4. The optimum point is the _____ size of a unit. (Ideas)

5. Weber's Theory of Location Was published in _____ (1909)
6. Gross Raw Materials Are Weight _____ Materials (Losing)
7. Government Policy May Also _____ Localisation of a plant (Influence)
8. The Main Aim of every Firm is to earn _____ (Profit)

UNIT-4

1. Combinations happen to achieve common _____. (Objectives)
2. Rationalisation aims at _____ Utilisation of resources. (Optimum)
3. Vertical combination happen to achieve common _____. (Interdependent)
4. Rationalization leads to elimination of _____ units. (Small)
5. Circular Combination Are Among Units Producing _____ Goods (Different)
6. Chambers OF Commerce Protect _____ Interest of Business (Common)
7. Rationalisation Aims At _____ Inefficiencies (Reduce)
8. Consumers Get _____ Quality Goods After Rationalisation (Better)

UNIT - 5

1. _____ Considered as the father of the computer. (Charles Babbage)
2. CPU is also called as _____. (Microprocessor)
3. _____ refers to the data and instructions given to the computer. (Input)
4. Analog computer uses _____ as input. (Signals)
5. The Heart OF THE Computer _____ (CPU)
6. The temporary storage area of CPU is called _____. (Register)
7. The tangible component of a computer system is called _____. (Hard ware)
8. Meaningful output is called _____. (Information)

SECTION-C

Answer the following very short answer Questions

10X1=10 M

UNIT-1

1. What is business?

Ans: Business is the organized effort of individuals to produce, sell, or buy goods and services with the aim of making a profit.

2. Define Organisation?

Ans: Organization is a structured entity formed to achieve specific goals through coordinated efforts and resources.

3. Define economic activity?

Ans: Economic activity refers to the production, distribution, and consumption of goods and services within an economy.

4. Define Commerce?

Ans: Commerce refers to the exchange of goods and services, including buying and selling activities, typically involving monetary transactions.

5. Business main objective?

Ans: Profit

6. Any Four characteristics of modern business?

Ans: 1. Embracing Technology 2. Innovation 3. Global Perspective 4. Collaboration

7. Explain types of Human Activities?

Ans: 1. Economic activities. 2. Non-Economic Activities

8. Explain types of Economic Activities?

Ans: 1. Business 2. Profession 3. Employment

UNIT-2

1.State Four Characteristics of sole-proprietor business?

Ans:1. Single Ownership 2. Direct Control 3. Simple Structure 4. Personal Liability

2.State Four advantages of Partnership business?

Ans:1. Ease formation 2. Sharing of Risk 3. Large Financial Resources 4. Shared Responsibilities

3. Define Joint Stock company?

Ans:A joint stock company is a business entity where ownership is divided into shares

4. OPC Stands for?

Ans:One Person Company

5. Explain new enterprise of any four sources of ideas?

Ans: 1. Product Profile 2. Imports and Exports 3. Trade Fairs 4. Social and Economic Trends

6. Any Four qualities of successful businessman

Ans: 1. Knowledge of business 2. Impressive Personality 3. Hard working 4. Co-operative

7. Promotion of business meaning?

Ans: Marketing.

8. Explain of private sector enterprises?

Ans: Sole-proprietorship, Hindu Undivided Family Business, Partnership, Co-operative society, Company.

UNIT-3

1. Meaning of plant location?

Ans:The selection of a specific geographic site for a manufacturing facility or business operation.

2. What is Plant layout?

Ans: The arrangement of machines, equipment, workspaces, and personnel within a facility to optimize efficiency and productivity.

3. What is business unit?

Ans: A distinct, specialized division or functional area within a larger organization, often responsible for specific products or services.

4. What is Optimum size?

Ans: The ideal or most efficient scale or magnitude for a business operation, considering factors like production capacity, cost-effectiveness, and market demand.

5. Explain names of plant location process steps?

Ans: 1. Selection of a Region 2. Selection of a Community 3. Selection of the exact plant site.

6. Explain any four advantages of process layout?

Ans: 1. Flexibility 2. Specialisation 3. Effective supervision 4. Lower manufacturing cost

UNIT-4

1.What is the meaning of Business combinations?

Ans: The process where two or more independent business entities merge or come together to form a single, unified entity.

2.What do you mean by Rationalization?

Ans: The restructuring or streamlining of business operations to make them more efficient and cost-effective, often involving the elimination of redundancies.

3. What is Nationalization?

Ans: The act of a government taking control and ownership of private businesses or industries, making them state-owned entities.

4. Any Four Characteristics of business combination?

Ans: 1. Common Control 2. Transfer of Ownership 3.Elimination of Competition 4. Financial Integration

5. What is meant by merger?

Ans: Union, Combination

6. State the mean by chamber of commerce?

Ans: Advocacy, Trade

UNIT-5

1.What is CPU?

Ans: Central Processing Unit, the primary component of a computer responsible for executing instructions and performing calculations.

2. Define WiFi?

Ans:Wireless Fidelity, a technology that allows electronic devices to exchange data wirelessly using radio waves, typically for internet connectivity.

3. Difference between LAN and WAN?

Ans:LAN (Local Area Network): A network that connects computers and devices within a limited geographic area, such as a home, office, or campus.

WAN (Wide Area Network): A network that spans a larger geographical area, connecting multiple LANs and often relying on external communication links.

4. WWW Stands for?

Ans:World Wide Web

5. PC Stands for?

Ans: Personal Computer

6. ALU Stands for?

Ans: Arithmetic Logic Unit.

7. Define Input and Output?

Ans: Input: Data provided to a system or program.

Output: Results produced by a system or program based on the provided input.

8. Define Information Technology?

Ans: Information Technology (IT) involves the use of computer systems, networks, and software to store, process, transmit, and retrieve information.

SECTION-D

Matching the following items (MC)

10X1=10 M

Matchin1

1. Business	(h)	a) One Person Company
2. Industry	(e)	b) Vertical merger
3. Sole Proprietorship	(d)	c) Large variety
4. OPC	(a)	d) Single Owner
5. Process layout	(c)	e) Production and Goods
6. Product Layout	(i)	f) Central Processing Unit
7. B2B	(j)	g) Social network
8. Business Combination kinds	(b)	h) An economic activity
9. Whatsapp	(g)	i) Large quantity
10. CPU	(f)	j) Business to Business

Matching-2

1. Commerce	(c)	a) Limited Liability
2. Business	(e)	b) Local Area Network
3. Partnership	(f)	c) Exchange of goods and services
4. Joint stock company	(a)	d) Central Processing Unit
5. Criteria for measuring	(h)	e) Profit Gain
6. Forms of business combination	(g)	f) Shared profits/losses
7. Business combination objective	(j)	g) Joint venture
8. TCP	(i)	h) Market share
9. LAN	(b)	i) Protocol
10. CPU	(d)	j) Increased market power

SECTION-E

True or False questions

10X1=10 M

UNIT- 1

1.A business is associated with economic activities	(T)
2.Organisation involves division of work	(T)
3. A profession does not involve any risk	(F)
4. A good organisation helps in achieving individual goals.	(F)
5.A protection doesn't involve any risk	(F)
6.Profit earning is the main aim of business	(T)
7.A housewife cooking at home is a profession	(F)
8.Providing banking services is an aid to trade	(T)

UNIT-2

1. Promotion of a new business requires a process to be followed	(T)
2. Co-operatives many extend credit facilities to members	(F)
3. Size of a business has no relation to efficiency.	(F)
4. A private company must have minimum of 3 directors	(F)

5. A sole proprietor as limited liability (F)
6. Any two or more persons can form a partnership firm (T)
7. Liability of all partners is not Unlimited (F)
8. A partnership deed in writing is Compulsory (F)

UNIT- 3

1. Pure raw materials don't lose weight (T)
2. Plant layout is the arrangement of machines in a factory (F)
3. The size of a business unit is related to its efficiency. (T)
4. The optimum point is an ideal size of a unit. (F)
5. Plant layout depends upon the availability of space. (T)
6. Nature of manufacturing process does not affect plant layout. (F)
7. Plant layout has nothing to do with production efficiency. (F)
8. Representative firm is one which is running efficiency. (T)

UNIT-4

1. Business Combination is a method of economic organisation (T)
2. Rationalisation was started after first world war (T)
3. Horizontal combinations lead to monopoly. (T)
4. Rationalization increases cost of production. (F)
5. Rationalization brings greater stability in economy. (T)
6. Rationalization brings more amenities to the workers. (T)
7. Cartel is a vertical type of combination (F)
8. In India first chamber of commerce was started in 1888. (T)

UNIT- 5

1. A computer performs operation with very slow speed (F)
2. Internet can be defined as 'a global network of networks' (T)
3. Information and Output are same. (F)
4. Internet is one of the popular search engines. (T)
5. Data helps in decision making. (F)
6. Digital watch is an example of digital computer. (T)
7. Microcomputer does not use microprocessor. (F)
8. Processing means manipulates the information. (T)

